

## **1832.111**

consideration and the analysis determining that value.

[67 FR 30604, May 7, 2002]

### **Subpart 1832.1—Non-Commercial Item Purchase Financing**

#### **1832.111 Contract clauses for non-commercial purchases.**

##### **1832.111-70 NASA contract clause.**

The contracting officer shall insert the clause at 1852.232-79, Payment for On-Site Preparatory Costs, in solicitations and contracts for construction on a fixed-price basis when progress payments are contemplated and pro rata payment of on-site preparatory costs to the contractor is appropriate.

### **Subpart 1832.2—Commercial Item Purchase Financing**

#### **1832.202-1 Policy. (NASA supplements paragraph (b))**

(b)(6) Advance payment limitations do not apply to expendable launch vehicle (ELV) service contracts. (see 1832.402).

#### **1832.206 Solicitation provisions and contract clauses. (NASA supplements paragraph (g))**

(g)(2) The installment payment rate shall be that which is common in the commercial marketplace for the purchased item. If there is no commonly used rate, the contracting officer shall determine the appropriate rate. In no case shall the rate exceed that established in the clause at FAR 52.232-30.

### **Subpart 1832.4—Advance Payments for Non-Commercial Items**

#### **1832.402 General. (NASA supplements paragraph (e))**

(e)(1) The Director of the Headquarters Office of Procurement Contract Management Division (Code HK) is the approval authority for all advance payments except the following:

(A) The procurement officer is the approval authority for non-fee bearing contracts with domestic entities when the cumulative contract value is \$25,000,000 or less, and for all increases

## **48 CFR Ch. 18 (10-1-02 Edition)**

to such contracts over \$25,000,000 previously approved by the Headquarters Office of Procurement as long as the advance payment amount outstanding at any time is not increased.

(B) The contracting officer is the approval authority for the following actions. In these cases, a findings and determination (see FAR 32.410) is not required.

(a) Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) Phase I contracts. A class deviation has been signed authorizing use of advance payments on these contracts. The contracting officer shall annotate the contract file that the deviation is on file at the NASA Headquarters Office of Procurement (Code HK).

(b) Expendable launch vehicle (ELV) service contracts. 42 U.S.C. 2459c authorizes advance payments for these contracts. The contracting officer shall document the contract file with the rationale for approving the use of advance payments.

(e)(2) All advance payment authorization requests, except those authorized by 1832.402(e)(1)(B), shall be coordinated with the installation Deputy Chief Financial Officer.

[61 FR 55768, Oct. 29, 1996, as amended at 63 FR 14040, Mar. 24, 1998; 66 FR 29728, June 1, 2001]

#### **1832.406 Letters of credit. (NASA supplements paragraph (b))**

(b)(1) Each installation is considered a contracting agency for the purposes of this requirement.

#### **1832.407 Interest. (NASA supplements paragraph (d))**

(d)(1) Advance payments without interest are authorized.

#### **1832.409 Contracting officer action.**

##### **1832.409-1 Recommendation for approval.**

##### **1832.409-170 NASA procedure for approval.**

In addition to the items listed in FAR 32.409-1, requests for Headquarters approval of advance payments (see 1832.402(e)(1)) shall include the following information:

## National Aeronautics and Space Administration

## 1832.502-2

(a) Name of the cognizant NASA Headquarters program or staff office;

(b) Name and phone number of the contracting officer or negotiator;

(c) A copy of the proposed advance payments clause;

(d) If a profit/fee is contemplated, the factors considered in determining the profit/fee (see subpart 1815.404-470);

(e) Information justifying the adequacy of security to cover the maximum advance payment amount at any time outstanding.

[61 FR 55769, Oct. 29, 1996, as amended at 62 FR 36721, July 9, 1997; 63 FR 9967, Feb. 27, 1998]

### **1832.410 Findings, determination, and authorization. (NASA supplements paragraph (b))**

(b) Generally, the format in FAR 32.410 should be used, tailored as follows:

(i) In format subparagraph (a)(2), use the phrase “Advance payments (In an amount not to exceed \$\* \* \* at any time outstanding)” in all determinations and findings. The phrase means the maximum unliquidated dollar amount a contractor would need in advance payments at any point in time for the particular contract. The amount would not usually be the full contract value. The amount inserted should be based on an analysis of the contractor’s financing needs (monthly or other appropriate period) for the specific contract involved.

(ii) In the second sentence of format subparagraph (a)(4), delete the reference to a special financial institution account if no special financial institution account is required.

(iii) Use format subparagraph (a)(6), and not (a)(7) or (a)(8).

(iv) At the end of format paragraph (b), use “is in the public interest.”

(v) In format paragraph (c), use the phrase “(the amount at any time outstanding)” in all determinations and findings.

[61 FR 55768, Oct. 29, 1996, as amended at 66 FR 53547, Oct. 23, 2001]

### **1832.412 Contract clause. (NASA supplement paragraphs (e) and (f))**

(e) The contracting officer shall use Alternates IV and V when advance payments are provided on Phase I con-

tracts of the Small Business Innovation Research (SBIR) or Small Business Technology Transfer (STTR) programs.

(f) See 1832.412(e).

[63 FR 14040, Mar. 24, 1998]

### **1832.412-70 NASA Contract clauses.**

When the clause at FAR 52.232-12 or its Alternates II or V are used, insert the clause at 1852.232-70, NASA Modification of FAR 52.232-12.

[63 FR 14040, Mar. 24, 1998]

## **Subpart 1832.5—Progress Payments Based on Costs**

### **1832.501 General.**

#### **1832.501-1 Customary progress payment rates. (NASA supplements paragraph (a))**

(a) The customary progress payment rate for all NASA contracts is 85 percent for large business, 90 percent for small business, 95 percent for small disadvantaged business, and 100 percent for Phase II contracts in the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs. The contracting officer shall insert the applicable percentage in paragraphs (a) and (b) of the clause at FAR 52.232-16.

#### **1832.501-2 Unusual progress payments.**

The Director of the Headquarters Office of Procurement Contract Management Division (Code HK) is the approval authority for the use of unusual progress payments.

[63 FR 14040, Mar. 24, 1998]

### **1832.502 Preaward matters.**

#### **1832.502-2 Contract finance office clearance.**

The Director of the Headquarters Office of Procurement Contract Management Division (Code HK) is the approval authority for the actions at FAR 32.502-2, except the Assistant Administrator for Procurement (Code HK) is the approval authority for any deviations addressed in FAR 32.502-2(b).

[63 FR 14040, Mar. 24, 1998]